

REPORT OF THE LEGISLATIVE RESEARCH COMMISSION

TO THE 1971 GENERAL ASSEMBLY

TRADE SCHOOL DEGREES

Raleigh, North Carolina

November, 1970



TO THE MEMBERS OF THE 1971 GENERAL ASSEMBLY:

The Legislative Research Commission herewith reports to the 1971 General Assembly its findings and recommendations concerning trade school degrees. This report is made pursuant to Senate Joint Resolution 894 of the 1969 General Assembly, which directed the Commission "to study the feasibility of offering Associate Degrees by private business, trade and correspondence schools".

This report was initiated by a committee of the Legislative Research Commission to which the Commission assigned its study on Trade School Degrees. Members of the Committee are:

Representative Allen C. Barbee, Chairman

Senator Fred Folger, Jr., Vice Chairman

Senator J. Ruffin Bailey

Senator Stewart B. Warren

Representative Charles W. Phillips

Representative H. W. Taylor

Representative Hugh Beam

Mrs. John B. Chase

The Legislative Research Commission reviewed the Committee proceedings and adopted this report November 13, 1970.

Respectfully,

Philip P. Godwin, Speaker

Senator N. Hector McGeachy, Jr.

Co-Chairmen, Legislative Research Commission



## TABLE OF CONTENTS

Introduction	1
Proceedings	1
Findings	3
Recommendations	4
Appendices	5
A.    SJR 894 - Legislative Research Commission to study Associate Degrees.	
B.    Board of Higher Education Report of Committee on Associate Degrees - The Kirby <u>Report</u> .	
C.    Article 31, Chapter 115, North Carolina General Statutes.	
D.    Remarks of Dr. Budd Smith for the North Carolina Association of Independent Colleges and Universities.	
E.    Resolution of the Board of Higher Education - The Kirby <u>Resolution</u> .	
F.    Statistical information on degree awards - Letter by Senator Bailey.	



REPORT BY THE LEGISLATIVE RESEARCH COMMISSION  
TO THE 1971 GENERAL ASSEMBLY  
TRADE SCHOOL DEGREES

INTRODUCTION

Senate Joint Resolution 894, adopted by the 1969 General Assembly, directed the Legislative Research Commission to study the feasibility of permitting by statute the granting of associate degrees by private business, trade and correspondence schools, under such regulations and standards as the State Board of Education might issue. (See Appendix A for SJR 894) The Committee on Trade School Degrees held a number of meetings and public hearings and provided the research which is the basis of this report.

PROCEEDINGS

On February 13, 1970, a committee meeting was held at which the following persons appeared:

Dr. Cameron West, Director, Board of Higher Education

Mr. John Kennedy, Assistant Director, Board of Higher Education

Dr. I. E. Ready, Director, Department of Community Collegess

Mr. Gilmore Johnson, Department of Public Instruction

Mr. J. W. Hill, N. C. Business Schools Association

Mr. Kennedy presented to the Committee a review and history of the Board of Higher Education's study on Associate Degrees. The study resulted in the Board of Higher Education Report of the Committee on Associate Degrees (The Kirby Report; see Appendix B). This report indicates that Community Colleges and Technical

Institutes, under the authority of the Board of Education, award the Degree of Associate in Applied Science. Before January 1970, private business, trade and correspondence schools could not offer this degree simply because they are profit-making institutions. The Board of Higher Education which controls the awarding of degrees by private institutions, required accreditation by the Southern Association of Colleges and Universities in order to award the Degree of Associate in Applied Science, and profit-making organizations automatically do not meet Southern Association standards. The Kirby Report recommended that degrees be awarded using uniform standards, and in January 1970 the Board of Higher Education adopted the recommendation as it applied to business schools.

Continuing the February 13, 1970, meeting, Mr. Johnson discussed Article 31, Chapter 115, of the General Statutes concerning regulation and licensing of Private Business, Trade and Correspondence Schools. (See Appendix C.)

On May 14, 1970, the Committee held a public hearing and representatives of the North Carolina Association of Independent Colleges and Universities appeared. Dr. Budd Smith, President of Wingate College, presented the Association's statement concerning the awarding of an Associate Degree in Applied Science. (Appendix D.) The Association's position is against statutory amendment specifically allowing private schools to award Associate Degrees, as in SB 771 which did not pass in the 1969 General Assembly. The Association is for a Resolution of the Board of Higher Education calling for adoption of the degree award standards of the Accrediting Commission for Business



Schools, Washington, D. C. (The Kirby Resolution, Appendix E).

Mr. James W. Burnette, Registrar of Hardbarger's Business School, presented the problems that have faced private schools in the past, and he stated that these schools could not have been accredited by the Southern Association of Colleges and Universities as they are profit-making organizations. Mr. Burnette took the position that private schools would be put out of business if they were not allowed to award the Degree of Associate in Applied Science.

In executive session, Chairman Barbee asked Senator Bailey to obtain certain statistical information on the number of schools awarding the Associate Degree in Applied Science. (Senator Bailey's response is contained in a letter to Chairman Barbee which is reproduced in Appendix F.)

At its September 17, 1970 meeting, the Committee declined endorsement of the Kirby Resolution, but continued to study the matter.

#### FINDINGS

The public schools are supervised by the Board of Education, and the private schools are licensed to award degrees by the Board of Higher Education. Public institutions have been awarding the degree of Associate in Applied Science. Prior to January 1970, the Board of Higher Education applied the criteria of the Southern Association of Colleges and Universities to private schools and the result was that private institutions have not been allowed to award the degree of Associate in Applied Science, even though in some cases they met criteria

higher than those established by the Board of Education for the public institutions. In January 1970, private business schools were taken out of this category, but unequal treatment is still applied to trade and correspondence schools.

In fairness to private institutions, the same criteria should be applied to all schools; and to achieve this both Boards should work together to establish equal criteria. There is no justification for treating two types of schools differently. The Board of <sup>HIGHER</sup> Education, in its January 1970 action concerning private business schools, has moved toward equal treatment. The two regulatory Boards should continue this movement and arrive at a consistent set of standards and a uniform method of application for all schools seeking to award the Degree of Associate in Applied Science.

#### RECOMMENDATIONS

It is recommended that the Board of Education and the Board of Higher Education adopt the procedures necessary to assure that private business, trade and correspondence schools be licensed to award the Degree of Associate in Applied Science where such business, trade and correspondence schools offer the same curriculum prescribed by the Board of Education in order for the institutions under its jurisdiction to award the same degree.

The Commission has not sought to determine what standards for awarding the degree of Associate in Applied Science should be, and it does not recommend that any such standards should be forced on the regulatory Boards. For now, it is recommended

that the task of determining standards be left to the expertise of the two Boards, in the hope that a satisfactory solution reflecting equal treatment will be reached without the necessity of direct legislative intervention.



APPENDICES



# NORTH CAROLINA GENERAL ASSEMBLY 1969 SESSION

SENATE JOINT RESOLUTION 894

(Public)

---

Sponsors: Senator Evans.

---

Referred to: Committee on Rules & Operation of the Senate.

---

1 June 26

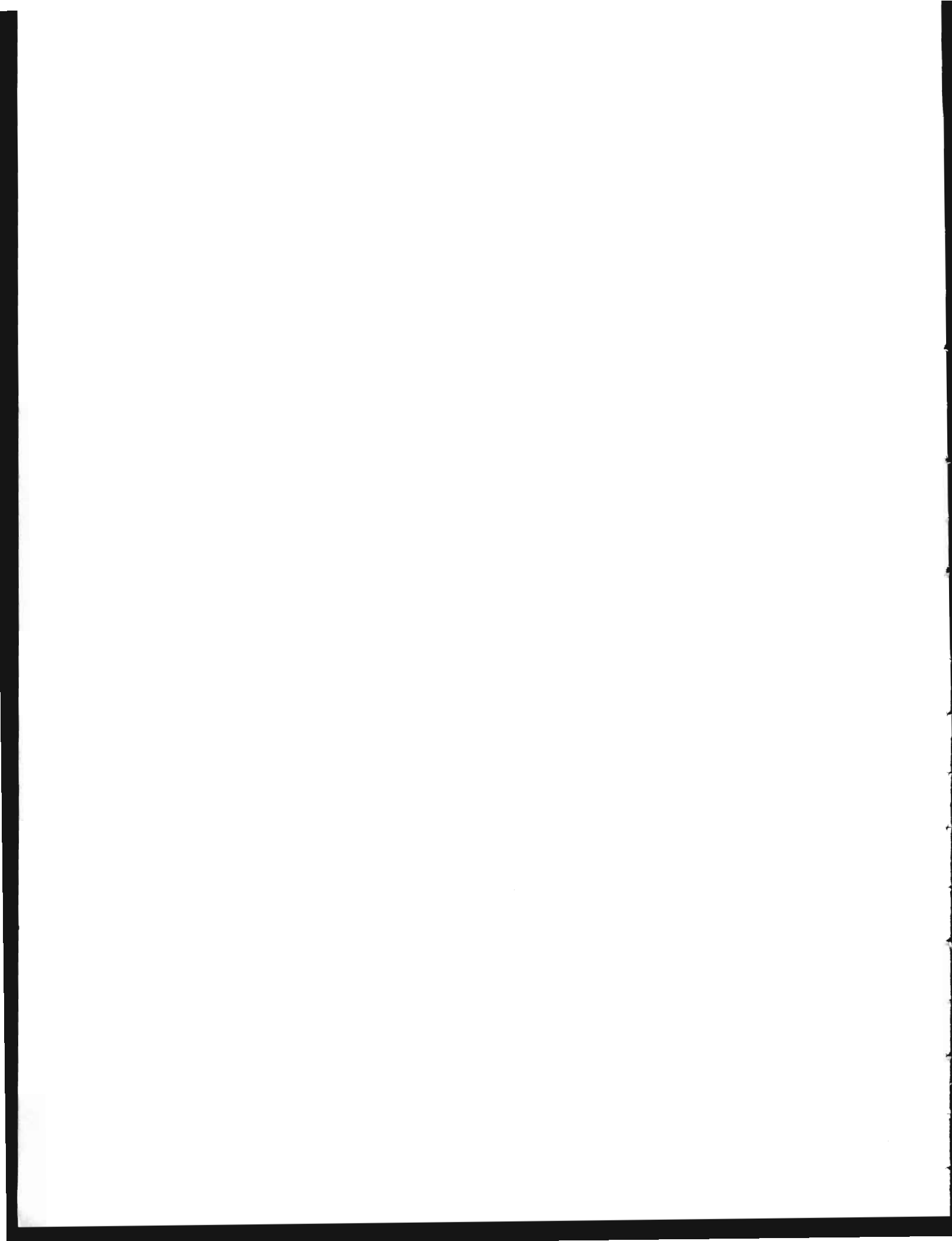
2 A JOINT RESOLUTION DIRECTING THE LEGISLATIVE RESEARCH COMMISSION  
3 TO STUDY THE FEASIBILITY OF OFFERING ASSOCIATE DEGREES BY  
4 PRIVATE BUSINESS, TRADE AND CORRESPONDENCE SCHOOLS.

5 Be it resolved by the Senate, the House of Representatives  
6 concurring:

7 Section 1. The Legislative Research Commission is  
8 hereby directed to study the feasibility of permitting by statute  
9 the granting of associate degrees by private business, trade and  
10 correspondence schools, under such regulations and standards as  
11 the State Board of Education might issue.

12 Sec. 2. The Legislative Research Commission shall  
13 report its findings and any recommendations resulting from this  
14 study to the 1971 General Assembly.

15 Sec. 3. This Resolution shall become effective upon its  
16 adoption.





BOARD OF HIGHER EDUCATION  
REPORT OF COMMITTEE ON ASSOCIATE DEGREES

Governor Scott and members of the Board of Higher Education:

The Committee on Associate Degrees was appointed at the meeting of the Executive Committee of the Board held on December 19, 1969. The membership consists of Senator Kirby, Chairman, Mr. Chess and Mr. Blue. The Committee was instructed to review requests made by the Associate Degree Committee of the North Carolina Association of Business Schools (Mr. J. W. Hill, Chairman of the Committee). The Committee, speaking for the Association, had asked that criteria be established under which proprietorial business schools in the state might qualify to award the degree of Associate in Applied Science.

Section 115-245 et seq. of the General Statutes authorize the Department of Public Instruction to license private business, trade and correspondence schools and to formulate for them appropriate criteria and standards. This authorization, however, does not include the right to license the granting of degrees.

Section 116-161 of the General Statutes gives the Board of Higher Education the authority to license educational institutions established after April 15, 1923 (with the exception of community colleges and technical institutes) to confer degrees according to such standards as the Board may establish.

The community colleges and technical institutes are presently awarding a large number of associate degrees with approval of the State Board of Education. Some of these degrees are designated Associate in Applied Science. This degree is being awarded in subject matter areas that are, in a number of cases, the same as those in which instruction is offered by the business schools of the state. Spokesmen for the business schools contend that it would be unfair to allow one group of institutions to award a degree if another group, offering

similar work, is not permitted to do so.

In 1964 the Board of Higher Education adopted a resolution stating that in licensing private junior and senior colleges to award degrees, the standards of the Southern Association of Colleges and Schools shall constitute the minimum criteria for eligibility. The Committee on Associate Degrees has considered the possibility of using standards established by the Southern Association for the licensing of private business schools but has been informed that the Southern Association does not accredit nor evaluate any profit-making institutions.

The Accrediting Commission for Business Schools is the agency recognized by the United States Office of Education in the field of post-secondary business education. This association accredits institutions in four categories--one-year schools of business, two-year schools of business, junior colleges of business (two-year institutions) and senior colleges of business (four-year institutions). The 1969/70 Directory of Accredited Institutions published by that Association lists four institutions in North Carolina as one-year schools of business, seven as two-year schools of business and one (Kings in Charlotte) as a junior college of business. No North Carolina institution is accredited as a senior college of business.

For a number of years Kings College, the one institution accredited as a junior college of business, has offered associate degrees. In 1963 the Committee on Standards of the North Carolina College Conference (now the North Carolina Association of Colleges and Universities) visited Kings College and made a full, and generally favorable, report on the institution. This report concluded, "The Committee does feel...that a case has been made for colleges with educational programs similar to those of Kings to look with favor upon credits that can be articulated with their own specific programs."

A member of the staff of the Board has recently visited the premises of two business schools in order to discuss at some length the course offerings and

to observe the activities of these schools. The Board's staff and the Committee have also reviewed with care the criteria of the Accrediting Commission for Business Schools.

It is the recommendation of the Committee that the Board establish as the general standards to be achieved by a business school wishing to award the degree of Associate in Applied Science those criteria established for a junior college of business by the Accrediting Commission for Business Schools. Among other things, these criteria call for a two-year course of study (60 semester hours). They require that the institution demonstrate adequate financial support and that it have been in existence for at least five years. The minimum requirement for admission to the college program of the school must be graduation from high school. At least half of the faculty teaching in the second year must have the master's degree, be a CPA, hold the LL.B. or have other equivalent training. Teaching loads may not exceed 18 hours. At least 50 percent of the credit must be in business or economics, and at least 25 percent must be in general education. Texts and standards must be of the recognized college level.

The Committee has also reviewed the criteria required for courses leading to the Associate in Applied Science at the technical institutes. They appear to be generally comparable to those set for junior colleges of business. Institutions that are accredited by the Southern Association of Colleges and Schools, including most of the junior and senior colleges in the state, must meet higher standards in certain respects; for example, all teachers for both years at a junior college must hold at least a master's degree, 15 percent of them must hold a Ph.D. and 35 percent must have two years of graduate study. It should be noted, however, that the junior colleges generally award, not the Associate in Applied Science, but the Associate in Arts or the Associate in Science.

We have conferred with representatives of the Department of Community Colleges, the Department of Public Instruction and a number of persons who are closely

identified with the private junior colleges. In general the representatives of these various groups appear to agree that standards should be established under which the business schools might qualify to award associate degrees and that, in the field of business, the criteria of junior colleges of business established by the Accrediting Commission for Business Schools are appropriate for this purpose. There is not agreement on the title of the specific associate degree to be authorized, but the degree title requested by the committee of the North Carolina Association of Business Schools is the Associate in Applied Science (A.A.S.). In the future the question of the title of the degree may need to be examined further. It seems to the Committee, however, appropriate for the Board to proceed at this time to set standards for awarding the Associate in Applied Science. The Committee therefore submits for consideration by the Board the resolution that is attached.

It should be pointed out that the licensing of an institution to award the degree of Associate in Applied Science does not mean that automatically credit will be given by other institutions for all work done toward that degree. The question of credit is one that will have to continue to be determined by the college or university which is being asked to give it.

The Committee would recommend that the Board continue its policy of appointing an ad hoc committee to visit any institution requesting licensing and to make a recommendation to the Board concerning the qualification of the institution to award the degree.

The Committee wishes to call to the attention of the Board the fact that there are trade schools and other special-purpose institutions in the state which are not community colleges, technical institutes or business schools but which offer two-year post-high school courses. It may be appropriate, in time, for the Board to license some of these institutions to award the degree of Associate in

Applied Science. If any such institution should request a license to award a degree the Board should set criteria that are appropriate to the particular type of school and that are not inconsistent with those recommended for business schools.

Respectfully submitted,

Russell Kirby  
Chairman



## ARTICLE 31.

*Private Business, Trade and Correspondence Schools.***§ 115-245. Definitions.**—As used in this article:

- (1) "Board of education" means the North Carolina State Board of Education.
- (2) "Correspondence school" means an educational institution privately owned and operated by an owner, partnership or corporation conducted for the purpose of providing, by correspondence, for a consideration, profit, or tuition, systematic instruction in any field or teaches or instructs in any subject area through the medium of correspondence between the pupil and the school, usually through printed or typewritten matter sent by the school and written responses by the pupil.
- (3) "Persons" means any individual, association, partnership or corporation, and includes any receiver, referee, trustee, executor, or administrator as well as a natural person.
- (4) "Private business school" or "business school" or "school" means an educational institution privately owned and operated by an owner, partnership or corporation, offering business courses for which tuition is charged, in such subjects as typewriting, shorthand (manual or machine), filing and indexing, receptionist's duties, key-punch, teletype, penmanship, bookkeeping, accounting, office machines, business arithmetic, English, business letter writing, salesmanship, personality development, leadership training, public speaking, real estate, insurance, traffic management, business psychology, economics, business management, and other related subjects of a similar character or subjects of general education when they contribute values to the objective of the course of study. Classes in any of the subjects herein referred to which are taught or coached in homes or elsewhere to five or less students are not included in the term "school" and shall be exempt from the requirements of this article.
- (5) "Private trade school" means an educational institution privately owned and operated by an owner, partnership or corporation, offering classes conducted for the purpose of teaching, for profit or for a tuition charge, any trade, technical, mechanical or industrial occupation or teaching any or several of the subjects needed to train youths or adults in the skills, technical knowledge, related industrial information, and job judgment, necessary for success in one or more skilled trades, industrial occupations or related occupations.
- (6) "Superintendent" means the North Carolina State Superintendent of Public Instruction. (1955, c. 1372, art. 30, ss. 1, 2; 1957, c. 1000; 1961, c. 1175, s. 1.)

**Editor's Note.**—The 1961 amendment re- 115-245 to 115-254, so as to appear as wrote the former article, consisting of §§ present §§ 115-245 to 115-254.1.

**§ 115-246. Exemptions.**—It is the purpose of this article to include all private schools operated for profit provided that the following schools shall be exempt from the provisions of this article:

- (1) Nonprofit schools conducted by bona fide eleemosynary or religious institutions.
- (2) Schools maintained or classes conducted by employers for their own employees where no fee or tuition is charged.
- (3) Courses of instruction given by any fraternal society, civic club, or benevolent order, which courses are not operated for profit.
- (4) Any school for which there is another legally existing licensing board in this State.
- (5) Any established university, professional, or liberal arts college, public or private high school approved by the State Department of Public Instruction, or any State institution which has heretofore offered, or which may hereinafter offer one or more courses covered in this article, provided that the tuition fees and charges, if any, made by such university, college, high school, or State institution shall be collected by their regular officers in accordance with the rules and regulations prescribed by the board of trustees or governing body of such university, college, high school, or State institution; but provisions of the article shall apply to all business schools, trade schools, or correspondence schools or branch schools, as defined in this article, and operated within the State of North Carolina as such institutions, except schools for which there are other legally existing licensing boards. (1955, c. 1372, art. 30, ss. 1, 2; 1957, c. 1000; 1961, c. 1175, s. 2.)

**§ 115-247. State Board of Education to administer article; issuance of diplomas by schools; investigation and inspection; regulations and standards.**—(a) The Board of Education, acting by and through the Superintendent of Public Instruction, shall have authority to administer and enforce this article and to issue licenses to private schools and educational institutions, as the same are defined herein, whose sustained curriculum is of a grade equal to that prescribed for similar public schools and educational institutions of the State and which have met the standards set forth by the Board of Education, including but not limited to course offerings, adequate facilities, financial stability, competent personnel and legitimate operating practices.

(b) Upon approval by the Board of Education, any such private school or educational institution may by and with the approval of said Board of Education issue certificates and diplomas.

(c) The Board of Education, acting by and through the Superintendent of Public Instruction, shall formulate the criteria and the standards evolved thereunder for the approval of such schools or educational institutions, provide for adequate investigations of all schools applying for a license and issue licenses to those applicants meeting the standards fixed by the Board, maintain a list of schools approved under the provisions of this article which list shall be available for the information of the public, and provide for periodic inspection of all schools licensed under the provisions of this article. Through periodic reports required of licensed schools or branch schools and by inspections made by authorized representatives of the State Board of Education, the State Board of Education shall have general supervision over business, trade and correspondence schools in the State, the object of said supervision being to protect the health, safety and welfare of the public by having the licensed business, trade and correspondence schools maintain adequate, safe and sanitary school quarters, sufficient and proper facilities and equipment, sufficient and qualified teaching staff, and satisfactory programs of operation and instruction, and to have the school carry out its advertised promises and contracts made with its students and patrons. To this end the State Board of Education is authorized to issue such regulations and standards not inconsistent with the provisions of this ar-



title as are necessary to administer the provisions of this article. (1955, c. 1372, art. 30, s. 4; 1957, c. 1000; 1961, c. 1175, s. 3.)

**§ 115-248. License required; application for license; school bulletins; requirements for issuance of license; license restricted to courses indicated; supplementary applications.**—(a) No person shall operate, conduct or maintain or offer to operate in this State a private school or educational institution as defined herein unless a license is first secured from the State Board of Education issued in accordance with the provisions of this article and the rules and regulations promulgated by the Board of Education under the authority of § 115-247. The license, when issued, shall constitute the formal acceptance by the Board of Education of the educational programs and facilities of each private school approved.

(b) Application for a license shall be filed in the manner and upon the forms prescribed and furnished by the Superintendent of Public Instruction for that purpose. Such application shall be signed by the applicant and properly verified and shall contain such of the following information as may apply to the particular school or branch school, for which a license is sought:

- (1) The title or name of the school or classes, together with the name and address of the ownership and of the controlling officers thereof;
- (2) The general field of instruction;
- (3) The place or places where such instruction will be given;
- (4) A specific listing of the equipment available for instruction in each field;
- (5) The qualifications of instructors and supervisors;
- (6) Financial resources available to equip and to maintain the school or classes;

- (7) And such additional information as the Board may deem necessary to enable it to determine the adequacy of the program of instruction and matters pertaining thereto. Each application shall be accompanied by a copy of the current bulletin or catalogue of the school which shall be in published form and certified by an authorized official of the school as being true and correct in content and policy. The school bulletin shall contain the following information:

- a. Identifying data, such as volume number and date of publication.
- b. Names of the institution and its governing body, officials and faculty.
- c. A calendar of the institution showing legal holidays, beginning and ending date of each quarter, term or semester, and other important dates.
- d. Institution's policy and regulations relative to leave, absences, class cuts, make-up work, tardiness and interruptions for unsatisfactory attendance.
- e. Institution's policy and regulations on enrollment with respect to enrollment dates and specific entrance requirements for each course.
- f. Institution's policy and regulations relative to standards of progress required of the student by the institution. (This policy will define the grading system of the institution; the minimum grades considered satisfactory; conditions for interruption for unsatisfactory grades or progress and description of the probationary period, if any, allowed by the institution; and conditions of re-entrance for those students dismissed for unsatisfactory progress. A statement will be made regarding progress records kept by the institution and furnished the student).
- g. Institution's policy and regulations relating to student conduct and conditions for dismissal for unsatisfactory conduct.

- h. Detailed schedule for fees, charges for tuition, books, supplies, tools, student activities, laboratory fees, service charges, rentals, deposits, and all other charges.
- i. Policy and regulations of the institution relative to the refund of the unused portion of tuition, fees and other charges in the event the student does not enter the course or withdraws or is discontinued therefrom.
- j. A description of the available space, facilities and equipment.
- k. A course outline for each course for which approval is requested, showing subjects or units in the course, type of or skill to be learned, and approximate time and clock hours to be spent on each subject or unit.
- l. Policy and regulations of the institution relative to granting credit for previous educational training.

(c) After due investigation and consideration on the part of the Board as provided herein, a license shall be issued to the applicant when it is shown to the satisfaction of said Board that said applicant, school, programs of study or courses are found to have met the following criteria:

- (1) The courses, curriculum and instruction are consistent in quality, content and length with similar courses in public schools and other private schools in the State, with recognized accepted standards.
- (2) There is in the institution adequate space, equipment, instructional material and instructor personnel to provide training of good quality.
- (3) Education and experience qualifications of director, administrators and instructors are adequate.
- (4) The institution maintains a written record of the previous education and training of the student.
- (5) A copy of the course outline, schedule of tuition, fees and other charges, regulations pertaining to absences, grading policy and rules of operation and conduct will be furnished the student upon enrollment.
- (6) Upon completion of training, the student is given a certificate or diploma by the institution indicating the approved course and indicating that training was satisfactorily completed.
- (7) Adequate records as prescribed by the State Board of Education are kept to show attendance and progress or grades and satisfactory standards relating to attendance, progress and conduct are enforced.
- (8) The school complies with all local, city, county, municipal, State and federal regulations, such as fire codes, building and sanitation codes. The State Board of Education may require such evidence of compliance as is deemed necessary.
- (9) The school is financially sound and capable of fulfilling its commitments for training.
- (10) The school does not exceed its enrollment limitation as established by the State Board of Education.
- (11) The school does not utilize advertising of any type which is erroneous or misleading, either by actual statement, omission or intimation.
- (12) The school's administrators, directors, owners and instructors are of good reputation and character.
- (13) Such additional criteria as may be deemed necessary by the Board.

(d) Any license issued shall be restricted to the programs of instruction or courses specifically indicated in the application for a license. The holder of a license shall present a supplementary application as may be directed by the Superintendent for approval of additional programs of instruction or courses in which it is desired to offer instruction during the effective period of the license. (1955, c. 1372, art. 30, ss. 3, 4; 1957, c. 1000; 1961, c. 1175, s. 4.)

**§ 115-249. Duration and renewal of licenses; notice of change of ownership, administration, etc.; license not transferable.**—(a) All licenses issued shall expire on June 30 next following the date of issuance.

(b) Licenses shall be renewable annually on July 1, provided an application for the renewal of the license has been filed in the form and manner prescribed by the Board and the renewal fee has been paid; also, provided the school and its courses, facilities, faculty and all other operations are found to meet the criteria set forth in the requirements for a school to secure an original license.

(c) After a license is issued to any school by the State Board of Education on the basis of its application, it shall be the responsibility of said school to notify immediately said Board of any changes in the ownership, administration, location, faculty, the instructional program or other changes as may affect significantly the course of instruction offered.

(d) In the event of the sale of such school, the license already granted to the original owner or operators thereof shall not be transferable to the new ownership or operators. (1955, c. 1372, art. 30, s. 4; 1957, c. 1000; 1961, c. 1175, s. 5.)

**§ 115-250. "Commercial Education Fund"; refund of fees.**—The fees and licenses collected under this section shall be placed in a special fund to be designated the "Commercial Education Fund" and shall be used under the supervision and direction of the State Board of Education for the administration of this article. No license fee shall be refunded in the event the application is rejected or the license suspended or revoked. (1961, c. 1175, s. 6.)

**§ 115-251. Suspension, revocation or refusal of license; notice and hearing; judicial review; grounds.**—(a) The Board of Education, acting by and through the Superintendent of Public Instruction, shall have the authority to refuse to issue a license and to suspend or revoke a license theretofore issued but before denying any such license, including the renewal thereof, and before suspending or revoking any license theretofore issued, he shall afford the applicant or holder of any such license an opportunity to be heard in connection therewith in person or by counsel and at least thirty days prior to the date set for a hearing on any such matter shall notify in writing the applicant for or the holder of any such license of the date of said hearing and assign therein the grounds for the action contemplated to be taken and as to which inquiry shall be made on the date of such hearing.

(b) The action of the Board of Education acting by and through the Superintendent of Public Instruction in refusing to grant a license or to renew a license, or in suspending or revoking a license, shall be subject to judicial review in all respects according to the provisions and procedures set forth in article 33 of chapter 143 of the General Statutes of North Carolina.

(c) The Board of Education, acting by and through the Superintendent of Public Instruction, shall have the power to refuse to issue or renew any such license and to suspend or revoke any such license theretofore issued in case it finds:

- (1) That the applicant for or holder of such a license has violated any of the provisions of this article or any of the rules and regulations promulgated thereunder; or
- (2) That the applicant for or holder of such a license has knowingly presented to the State Board of Education false or misleading information relating to approval; or
- (3) That the applicant for or holder of such a license has failed or refused to permit authorized representatives of the State Board of Education to inspect the school, or has refused to make available to them at any time upon request full information pertaining to matters within the purview of the Board of Education under the provisions of this article; or

- (4) That the applicant for or holder of such a license has perpetrated or committed fraud or deceit in advertising the school or in presenting to the prospective students written or oral information relating to the school, to employment opportunities, or to opportunities for enrollment in other institutions upon completion of the instruction offered in the school.
- (5) That the applicant or licensee has pleaded guilty, entered a plea of nolo contendere or has been found guilty of a crime involving moral turpitude by a judge or jury in any state or federal court.
- (6) That the applicant or licensee has failed to provide or maintain premises, equipment or conditions which are adequate, safe and sanitary, in accordance with such standards of the State of North Carolina or any of its political subdivisions, as are applicable to such premises and equipment.
- (7) That the licensee is employing teachers, supervisors or administrators who have not been approved by the Board.
- (8) That the licensee has failed to provide and maintain adequate premises, equipment, materials or supplies, or has exceeded the maximum enrollment for which the school or class was licensed.
- (9) That the licensee has failed to provide and maintain adequate standards of instruction or an adequate and qualified administrative, supervisory or teaching staff. (1961, c. 1175, s. 7.)

**§ 115-252. Private schools advisory committee; appointment; duties.**—(a) In the administration of this article, the Superintendent of Public Instruction shall appoint an advisory committee composed of not less than five members who shall serve at his will and pleasure and who are fairly representative of the types of private schools or educational institutions operated, conducted and maintained within this State, whose duties shall be to advise the Superintendent of Public Instruction regarding the criteria to be used in formulating standards and the rules and regulations thereunder to be prescribed for the administration of this article and the management and operation of the schools subject to the provisions hereof including the development of programs of instruction to be pursued in each type of institution subject to this article.

(b) The terms of the members shall be set by the Superintendent of Public Instruction. (1961, c. 1175, s. 8.)

**§ 115-253. Execution of bond required; filing and recording; actions upon bond.**—(a) Before the State Board of Education shall issue such license the person, partnership, association of persons, or corporation shall execute a bond in the sum of one thousand dollars (\$1,000.00), signed by a solvent guaranty company authorized to do business in the State of North Carolina, or by two solvent individual sureties, payable to the State of North Carolina, and approved as to solvency by the clerk of the superior court of the county in which such school or branch school will be located and conduct its business; conditioned that the principal in said bond will carry out and comply with each and every contract, made and entered into by said school or branch school, acting by and through its officers and agents with any student who desires to enter such school or branch school and to take any courses offered therein and will pay back to such student all amounts collected in tuition and fees in case of failure on the part of the parties obtaining a license from the State Board of Education to open and conduct a business school, trade school or a correspondence school, to comply with its contracts to give the instructions contracted for, and for full period evidenced by such contract. Such bond shall be filed with the clerk of the superior court of the county in which the school or branch school executing the bond is located, and shall be recorded by such clerk in a book provided for that purpose.

(b) The requirement herein specified for giving the aforesaid bond of one thousand dollars (\$1,000.00) shall apply to all business, trade or correspondence schools, or any branches thereof operating in North Carolina, and the State Board of Education shall not issue any license to any person, firm or corporation to operate any of the aforesaid schools until said bond has been given and notice of the approval of same by the clerk of the superior court has been filed with said Board of Education. Operators' bonds of one thousand dollars (\$1,000.00) each shall be required for each branch of such business, trade, correspondence schools, or any branch thereof operated within the State by any person, partnership or corporation.

(c) In any and all cases where the party receiving the license from the State Board of Education fails to comply with any contract made and entered into with any student, or with the parents or guardian of said student, then the State of North Carolina upon the relation of said student, parent or guardian entering into the contract shall have a cause of action against the principal and sureties on the bonds herein provided for the full amount of payments made to such person, with six per cent (6%) interest from the date of payment of said amount. For a violation of its contract with a student, or for other good cause, the State Board of Education is authorized to revoke the license issued to the offending school. (1955, c. 1372, art. 30, s. 5; 1957, c. 1000; 1961, c. 1175, s. 9.)

**Former Provisions Held Unconstitutional.**—See *State v. Williams*, 253 N. C. 337, 117 S. E. (2d) 444 (1960).

**§ 115-254. Operating school without license or bond made misdemeanor.**—Any person, or each member of any association of persons, or each officer of any corporation who opens and conducts a business school, a trade school or a correspondence school, or branch school, as defined in this article without first having obtained the license herein required, and without first having executed the bond required shall be guilty of a misdemeanor and be punishable by a fine of not less than one hundred dollars (\$100.00), nor more than five hundred dollars (\$500.00) or thirty days' imprisonment, or both, at the discretion of the court, and each day said school continues to be open and operated shall constitute a separate offense. (1955, c. 1372, art. 30, s. 7; 1957, c. 1000; 1961, c. 1175, s. 10.)

**§ 115-254.1. Contracts with unlicensed schools and evidences of indebtedness made null and void.**—All contracts entered into by business, trade or correspondence schools, or branch schools, as defined in this article, with students or prospective students, and all promissory notes, or other evidence of indebtedness taken in lieu of cash payments by such schools shall be null and void unless such schools are duly licensed as required by this article. (1957, c. 1000; 1961, c. 1175, s. 11.)

## ARTICLE 32.

### *Non-Public Schools.*

**§ 115-255. Responsibility of State Board of Education to supervise non-public schools.**—The State Board of Education, while providing a general and uniform system of education in the public schools of the State, shall always protect the right of every parent to have his children attend a non-public school by regulating and supervising all non-public schools serving children of secondary school age, or younger, to the end that all children shall become citizens who possess certain basic competencies necessary to properly discharge the responsibilities of American citizenship. The Board shall not, in its regulation of such non-public schools, interfere with any religious instruction which may be given in any private, denominational, or parochial school, but such non-public school shall meet the State minimum standards as prescribed in the course of study, and the children

therein shall be taught the branches of education which are taught to the children of corresponding age and grade in the public schools and such instruction, except courses in foreign languages, shall be given in the English language. (1955, c. 1372, art. 31, s. 1.)

**§ 115-256. Teachers must have certificates for grades they teach; instruction given must substantially equal that given in public schools.**

—All non-public schools in the State and all teachers employed or who give instruction therein, shall be subject to and governed by the provisions of law for the operation of the public schools insofar as they apply to the qualifications and certification of teachers and the promotion of pupils; and the instruction given in such schools shall be graded in the same way and shall have courses of study for each grade conducted therein substantially the same as those given in the public schools where children would attend in the absence of such non-public school.

No person shall be employed to teach in a non-public school who has not obtained a teacher's certificate entitling such teacher corresponding courses or classes in public schools. (1955, c. 1372, art. 31, s. 2.)

**§ 115-257. Operators must report certain information.**—The supervisory officer or teacher of all non-public schools shall report to the superintendent of the administrative unit in which such school is located within two weeks of the opening of such school, and within two weeks of the enrollment therein, the names of all pupils attending, their ages, parents' or guardians' names, and places of residence. Likewise, such officer or teacher shall report to such superintendent the withdrawal of any pupil within two weeks of such withdrawal. The supervisory officer or teacher of non-public schools shall make such reports as may be required of him by the State Board of Education, or such additional reports as are requested by the superintendent of the administrative unit in which such school is located; and he shall furnish to any court from time to time any information and reports requested by any judge thereof relating to the attendance, conduct and standing of any pupil enrolled in such school if said pupil is at the time awaiting examination or trial by the court or is under the supervision of the court. (1955, c. 1372, art. 31, s. 3.)

#### ARTICLE 33.

##### *State Board of Education to License Certain Institutions and Regulate Degrees.*

**§ 115-258. Right to confer degrees restricted.**—No educational institution created or established after April 15, 1923, by any person, firm, or corporation in this State shall have power or authority to confer degrees upon any person except as herein provided. (1955, c. 1372, art. 32, s. 1.)

**§ 115-259. Powers to grant license to confer degrees.** — The State Board of Education is authorized to issue its license to confer degrees in such form as it may prescribe to an educational institution established after April 15, 1923 by any person, firm, or corporation in this State; but no educational institution established in the State subsequent to said date shall be empowered to confer degrees unless it has income sufficient to maintain adequate faculty and equipment sufficient to provide adequate means of instruction in the arts and sciences, or any other recognized field of learning or knowledge, and unless its baccalaureate degree is conferred only upon students who have completed a four-year college course, preceded by the usual four-year high school course, or their equivalent. (1955, c. 1372, art. 32, s. 2.)



Remarks Made By Pres. Budd Smith, Wingate College,  
before the Subcommittee on Trade School Degrees.

Chairman: College presidents and deans are here today from all over the state to express their concern over Senate Bill 771. We consider this bill unfair to many of the colleges and universities in the state, public and private, and we also consider the bill unwise from an educational point of view. (See S.B. 771 attached)

The bill seems to us unfair because in effect it will impose one standard on some of the institutions in the state while a different and higher standard is applied to other institutions.

We feel that the bill is unwise because we believe its effect will be to water down degrees and to make the word "degree" less meaningful than it now is and than it ought to be.

A college degree, whether it be a bachelor's or an associate degree, should mean more than acquisition of a skill or of technical proficiency. It should mean that a certain level of general education has been achieved and that knowledge has been demonstrated, beyond the high school level, in English, in social sciences, and in natural sciences.

As all of you know, the association for accrediting colleges and universities in the South is the Southern Association of Colleges and Schools. This association has for years been devoted to seeing that a college degree stands for something in the way of general education.

The present law in North Carolina, G.S. 116-161, states that "the Board of Higher Education under such standards as it shall establish may issue its license to confer degrees in such form as it may prescribe to an educational institution." Under this statute, the Board of Higher Education must now license all institutions, public and private, to award degrees of any kind.

In 1964 the Board of Higher Education adopted a resolution which read in part as follows:

"Whereas . . . the Board of Higher Education believes that the published standards of the Southern Association of Colleges and Schools . . . as the same would apply to a new and beginning institution should constitute the minimum standards to be complied with for an educational institution to be licensed to confer degrees:

"Now, therefore, be it resolved that the standards . . . of the Southern Association of Colleges and Schools . . . with such modifications to said standards as is required to make said standards applicable to new and beginning institutions, be, and

they are hereby, established as the minimum standards to be achieved by an educational institution to be licensed to confer degrees in North Carolina."

In accordance with this policy of the Board, any institution wishing to confer any degree must show it can meet the standards of the Southern Association. The Southern Association will accredit, not only the traditional two-year and four-year colleges and universities, but also special-purpose schools, such as business schools. But if such schools are to be accredited they must meet certain requirements concerning library resources, qualifications of faculty, requirements for degrees, etc., in order to be sure that the school, although offering specialized training, also gives the student a broad general education. So far as I am aware, no trade or business school in North Carolina has become accredited by the Southern Association of Colleges and Schools.

The State Board of Education is charged by statute with supervising trade and business schools, but as the statute now stands that Board does not have authority to authorize those schools to award degrees. It is my impression that the State Board of Education does a careful job of reviewing the qualifications and course offerings of these schools; in so doing it serves the public interest in a very significant way. In general, the State Board of Education is requiring that these schools meet the standards of national accrediting agencies in their particular speciality fields, for example, the Accrediting Commission for Business Schools. If associate degrees are to be awarded and the standards set by such agencies are to be applied to trade and business schools while the more difficult standards of the Southern Association are to be applied to nearby community colleges or junior colleges, an unfair competition will have been generated. Many four-year colleges also award associate degrees at the conclusion of two years of work, and they too would feel that the competition was unfair because they have to meet the standards of the Southern Association.

In general, it seems desirable that college credits be as freely transferable as possible so that students who have completed one or two years of college work at one institution may easily move to another one without losing credits. Transferability of credits is greatly facilitated if the institutions are all meeting the standards of the Southern Association. If some institutions, however, are not held to these standards, a student is going to find he gets an associate degree at one of them but that this degree will not represent transferable credits at a four-year college or university. This can be misleading for the student and can give him serious trouble.

I wish to make it clear that I am not opposed to trade and business schools having the right to award associate degrees. I do feel, however, that the associate degree wherever it is offered should continue to mean something in the academic world and that the same standards should be applied to trade and business schools as are applied to other institutions offering comparable degrees. The way is already open for trade and business schools to offer an associate degree. They must meet the standards



of the Southern Association and then apply to the Board of Higher Education. This is what is required of all other institutions offering this degree.

Those of us who are here today representing two-year and four-year colleges scattered all over the state see serious harm to our institutions in the bill that is now before you and, perhaps more significantly, serious harm to the concept of what higher education and college degrees have meant in this state and ought to continue to mean.



# NORTH CAROLINA GENERAL ASSEMBLY 1969 SESSION

SENATE BILL 771

AG 2209

(Public)

SHORT TITLE: Business schools authorized to issue assoc. degree

Sponsors: Senator Evans.

Referred to: Education.

May 30

1 A BILL TO BE ENTITLED

2 AN ACT TO AUTHORIZE THE STATE BOARD OF EDUCATION TO REGULATE THE  
3 ISSUANCE OF CERTIFICATES, DIPLOMAS AND ASSOCIATE DEGREES BY  
4 PRIVATE BUSINESS, TRADE AND CORRESPONDENCE SCHOOLS SUBJECT TO  
5 ARTICLE 31 OF CHAPTER 115 OF THE GENERAL STATUTES.

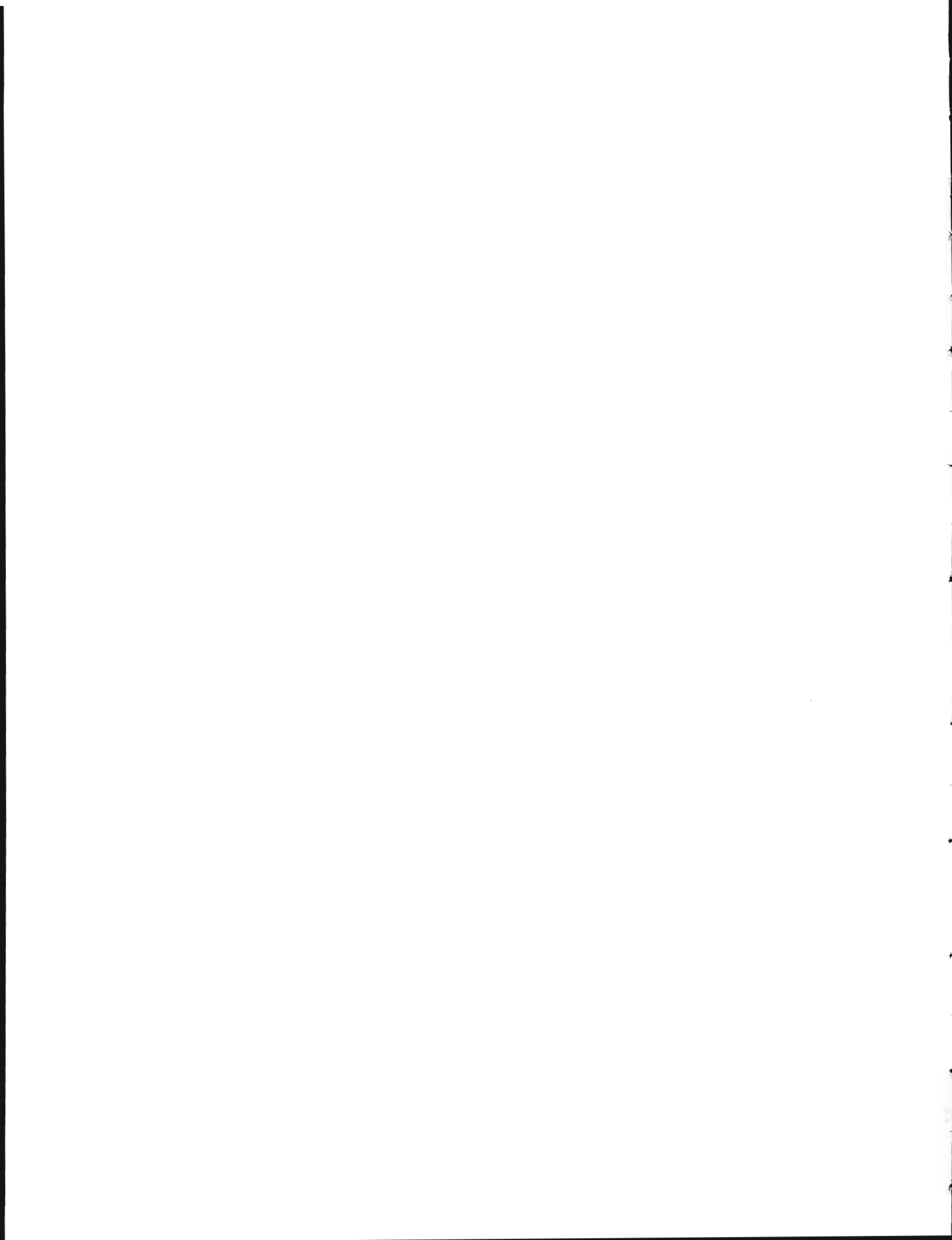
6 The General Assembly of North Carolina do enact:

7 Section 1. Subsection (b) of G. S. 115-247 of Volume 3A  
8 is hereby amended by striking out the period appearing after the  
9 word "diplomas", in the third line of said subsection (b), and by  
10 inserting in lieu thereof a comma and by adding the following:

11 "and associate degrees. The State Board of Education is  
12 authorized to issue regulations and standards under which  
13 certificates, diplomas and associate degrees may be issued."

14 Sec. 2. All laws and clauses of laws in conflict with  
15 the provisions of this Act are hereby repealed.

16 Sec. 3. This Act shall be in full force and effect from  
17 and after its ratification.



(The Kirby Resolution)

RESOLUTION

WHEREAS Section 116-161 of the North Carolina General Statutes authorizes the Board of Higher Education to license educational institutions established after April 15, 1923, (with the exception of community colleges and technical institutes) to confer degrees according to such standards as the Board may establish; and

WHEREAS the Board of Higher Education has previously adopted the standards of the Southern Association of Colleges and Schools as those to be required of most institutions desiring to grant degrees; and

WHEREAS the business schools and colleges of the state are, in most cases, not eligible for evaluation by the Southern Association; and

WHEREAS the Board of Higher Education believes it desirable to establish appropriate standards for the awarding of the degree of Associate in Applied Science by business schools and colleges and believes that the standards, or criteria, as prescribed for Junior Colleges of Business by The Accrediting Commission for Business Schools, Washington, D. C., are appropriate minimum standards for institutions awarding the degree of Associate in Applied Science;

NOW THEREFORE be it resolved that the criteria for Junior Colleges of Business as adopted by The Accrediting Commission for Business Schools and as the same may be modified from time to time shall constitute the minimum standards to be achieved by a business school or college in North Carolina seeking a license to offer the degree of Associate in Applied Science;

PROVIDED that an institution which, although not already accredited as a junior college of business, gives strong indication that it will be so accredited within two years shall be considered eligible for licensing to award the degree of Associate in Applied Science; and

PROVIDED FURTHER that any mention of the Board of Higher Education in the catalog of the institution or in any other publication or statement of the institution shall be phrased substantially as follows: "Licensed to award the degree of Associate in Applied Science by the North Carolina Board of Higher Education."



North Carolina General Assembly  
Senate Chamber  
State Legislative Building  
Raleigh 27602

August 26, 1970

COMMITTEE ASSIGNMENTS:  
COURTS AND JUDICIAL DISTRICTS,  
CHAIRMAN  
PUBLIC UTILITIES, VICE CHAIRMAN  
APPROPRIATIONS  
BANKING  
CORRECTIONAL INSTITUTIONS AND  
LAW ENFORCEMENT  
JUDICIARY NO. 1  
RULES

RUFFIN BAILEY  
2 INSURANCE BUILDING  
RALEIGH, NORTH CAROLINA 27602

The Honorable Allen C. Barbee  
P. O. Box 338  
Spring Hope, North Carolina

Re: Trade School Degrees

Dear Allen:

Sometime ago, you requested that I find the answer to the two following questions:

- 1) How many Technical Institutes are awarding a degree in Associate of Applied Sciences?
- 2) How many Technical Institutes, that also are connected with a Community College, are awarding these same degrees, and do they have to take courses different from those in the separated institutions?

Later, I told you that I had this information and suggested that I might circulate it to the members of the Committee, which I am doing by a copy of this letter. I apologize for not having done this earlier; but after our conversation, it slipped my mind and I did not follow through. I do have this information, and am passing it on to the full membership of our sub-committee.

- 1) In 1969, there were 38 Technical Institutes in operation; 35, of these 38, awarded a degree in associate of applied sciences. Since 1969, a 39th Technical Institute (Person County) has come into existence; and starting with this year, all 39 will be offering programs leading to this degree.

The Honorable Allen C. Barbee

August 26, 1970

Page 2

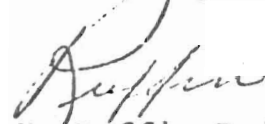
2) There are 15 Community Colleges in operation in North Carolina today, and all offer this degree. A Community College has all of the programs of the Technical Institutes, plus, other educational curricular transferable for college credit. So, these 15 Community Colleges do offer the same degrees, and the same curriculum toward these degrees, as do the technical institutes, which are not a part of the Community College.

It is my understanding that all of the Technical Institutes and all of the Community Colleges will be offering these degrees, or programs leading to these degrees this school year. There is a section of the department which establishes the curriculum for these programs; and, as I understand it, the curriculum content would be the same in technical programs in both community colleges and in the technical institutes.

I hope that this information will be helpful for us at our next meeting, and I look forward to meeting with you as soon as possible.

With best wishes and highest personal regards,

Yours very truly,



J. Ruffin Bailey

JRB/ljh

cc: Members of Sub-Committee  
Trade School Degrees



# LEGISLATIVE RETIREMENT

